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09/780,882	02/09/2001	Jacques Benkoski	MDS-P009	9016

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EXAMINER

JANVIER, JEAN D

ART UNIT PAPER NUMBER

3622

DATE MAILED: 08/25/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

## Office Action Summary

Application No.

09/780,882

Applicant(s)

BENKOSKI ET AL.

Examiner

Jean D Janvier

Art Unit

3622

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on \_\_\_\_.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-13 is/are pending in the application.
- 4a) Of the above claim(s) 14-17 is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-13 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_.
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_.

## DETAILED ACTION

### Specification

It appears that no drawing was filed along this Application.

The title of the invention should be descriptive and technically accurate.

Furthermore, the abstract of the disclosure should be descriptive. See 37 CFR 1.72.

### Status of the claim

Claims 1-13 are currently pending and claims 14-17 are withdrawn from further consideration following a restriction requirement and an election without traverse. The Applicant should cancel claims 14-17 in a future correspondence. **Please notice here that Invention I or Group I was extended to include claims 12-13.**

### Claims Objections

Claims 1-13 are objected to because of the following informalities.

Concerning claims 1 and 6, the limitations disclosed therein are non-functional limitations. They represent isolated and disjoint claim limitations that do not play any role or function. For example, the limitations “providing computer programs to aid in the design of an integrated circuit..” or “designing a portion of an integrated circuit using computer programs...” are not connected anyway with the step of “agreeing to a contract defining a trigger” and the step of “receiving payment upon satisfaction of said trigger”. For examination purpose, the Examiner assumes that the Applicant meant to refer to a method comprising the step of defining and agreeing with the terms of a contract to

Art Unit: 3622

perform a duty and receiving payment upon performing the duty according to the contract.

Further, the limitations disclosed in claims 2-5, 7-11 are not given any patentable weight or are broadly interpreted because they are dependent on the non-functional limitations, that is “providing computer programs...” or “designing a portion of an integrated...”.

Concerning claim 12, “Machine readable media...” should apparently be –A computer readable medium...--

Concerning claim 13, “reading a media...” should apparently be –reading a medium...--.

Appropriate corrections.

### ***Claim Rejections - 35 USC § 101***

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

As an initial matter, the United States Constitution under Art. I, §8, cl. 8 gave Congress the power to “[p]romote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and

Art Unit: 3622

discoveries". In carrying out this power, Congress authorized under 35 U.S.C. §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition or matter, or any new and useful improvement thereof." Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer an exclusive right to the inventors for "inventions" that promote the progress of "science and the useful arts". The phrase "technological arts" has been created and used by the courts to offer another view of the term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Hence, the first test of whether an invention is eligible for a patent is to determine if the invention is within the "technological arts".

Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural phenomena", and "abstract ideas". See *Diamond v. Diehr*, 450, U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, courts have found that even if an invention incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).

This "two prong" test was evident when the Court of Customs and Patent Appeals (CCPA) decided an appeal from the Board of Patent Appeals and Interferences (BPAI). See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). In *Toma*, the court held that the recited mathematical algorithm did not render the claim as a whole non-statutory using

Art Unit: 3622

the Freeman-Walter-Abele test as applied to *Gottschalk v. Benson*, 409 U.S. 63, 175 USPQ (BNA) 673 (1972). Additionally, the court decided separately on the issue of the "technological arts". The court developed a "technological arts" analysis:

The "technological" or "useful" arts inquiry must focus on whether the claimed subject matter...is statutory, not on whether the product of the claimed subject matter...is statutory, not on whether the prior art which the claimed subject matter purports to replace...is statutory, and not on whether the claimed subject matter is presently perceived to be an improvement over the prior art, e.g., whether it "enhances" the operation of a machine. *In re Toma* at 857.

In *Toma*, the claimed invention was a computer program for translating a source human language (e.g., Russian) into a target human language (e.g., English). The court found that the claimed computer implemented process was within the "technological art" because the claimed invention was an operation being performed by a computer within a computer.

The decision in *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* never addressed this prong of the test. In *State Street Bank & Trust Co.*, the court found that the "mathematical exception" using the Freeman-Walter-Abele test has little, if any, application to determining the presence of statutory subject matter but rather, statutory subject matter should be based on whether the operation produces a "useful, concrete and tangible result". See *State Street Bank & Trust Co.* at 1374. Furthermore, the court found that there was no "business method exception" since the court decisions that purported to

Art Unit: 3622

create such exceptions were based on novelty or lack of enablement issues and not on statutory grounds. Therefore, the court held that "[w]hether the patent's claims are too broad to be patentable is not to be judged under §101, but rather under §§102, 103 and 112." See *State Street Bank & Trust Co.* at 1377. Both of these analysis goes towards whether the claimed invention is non-statutory because of the presence of an abstract idea. Indeed, *State Street* abolished the Freeman-Walter-Abele test used in *Toma*.

However, *State Street* never addressed the second part of the analysis, i.e., the "technological arts" test established in *Toma* because the invention in *State Street* (i.e., a computerized system for determining the year-end income, expense, and capital gain or loss for the portfolio) was already determined to be within the technological arts under the *Toma* test. This dichotomy has been recently acknowledged by the Board of Patent Appeals and Interferences (BPAI) in affirming a §101 rejection finding the claimed invention to be non-statutory. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

Claims 1-5, 6-11 and 13 are rejected under 35 U.S.C. 101 because the claimed invention is directed to a non-statutory subject matter. In fact, the process or steps disclosed in independent claims 1, 6 and 13 pertain to a manual process and therefore, the claims do not fall within the technological art. In other words, the steps or process of **agreeing to a contract..., providing a computer programs..., and receiving a payment....**, as recited in claim 1, should be implemented via a device, such as a computer system, a computer database, a data communication, computer network, the Internet and so and so forth.

Art Unit: 3622

Furthermore, claims 12-13 do not produce any concrete, useful and tangible result under 35 USC 101.

### ***Double Patenting***

A rejection based on double patenting of the "same invention" type finds its support in the language of 35 U.S.C. 101 which states that "whoever invents or discovers any new and useful process ... may obtain a patent therefor ..." (Emphasis added). Thus, the term "same invention," in this context, means an invention drawn to identical subject matter. See *Miller v. Eagle Mfg. Co.*, 151 U.S. 186 (1894); *In re Ockert*, 245 F.2d 467, 114 USPQ 330 (CCPA 1957); and *In re Vogel*, 422 F.2d 438, 164 USPQ 619 (CCPA 1970).

A statutory type (35 U.S.C. 101) double patenting rejection can be overcome by canceling or amending the conflicting claims so they are no longer coextensive in scope. The filing of a terminal disclaimer cannot overcome a double patenting rejection based upon 35 U.S.C. 101.

Claims 9-10 are provisionally rejected under 35 U.S.C. 101 as claiming the same invention as that of claims 7-8 respectively within this Application.

### ***Claim Rejections - 35 USC § 112***

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claims 1-13 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. In fact, the claimed invention is confusing and ambiguous. To this end, the metes and bounds of the claims should be defined such that



Art Unit: 3622

the subject matter for which the Applicant is seeking patent protection or exclusive rights is understood.

Claim 13 is rejected under 35 U.S.C. 112, second paragraph, as being incomplete for omitting essential elements, such omission amounting to a gap between the elements. See MPEP § 2172.01.

***Claim Rejections - 35 USC § 102***

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

Claims 1-13 are rejected under 35 U.S.C. 102(b) as being anticipated by Ginzboorg, WO 98/21676.

As per claims 1-13, Ginzboorg discloses a method and system for the implementation of charging in a telecommunications system including customer terminals used by customers for ordering multimedia services and servers for providing services to customers. In order to implement the charging of services easily especially in a multimedia environment, at least one separate billing server is used in the network so that each customer terminal has a dedicated billing server. A contract message is sent to the customer terminal stating that the customer must make a contract on the selected

Art Unit: 3622

service, and the customer's acceptance of the contract is sent from the customer terminal to the billing server in the network (See abstract).

In a typical embodiment, the customer selects a multimedia service and based on this selection the system negotiates an on-line contract with the customer. The system is operable to verify that the customer has accepted the service on defined terms as disclosed in the contract. Additionally, the system makes it possible to monitor the service level used by the customer. As the monitoring is done in the customer terminal, which also generates the charging records, the process of generating the charging records can react quickly to the changes in the service level. And payments are made in accordance with the selected service usage and based on a payment schedule as stipulated in the contract (page 4: 5 to page 5: 8; figs. 4, 6, 5a and 10 and claim 2 of the current reference).

### **Conclusion**

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

US Patent 6,141,653A to Conklin discloses a multivariate negotiations engine for iterative bargaining which enables a sponsor to create and administer a community between participants such as buyers and sellers having similar interests; allows a buyer/participant to search and evaluate seller information, propose and negotiate orders and counteroffers that include all desired terms, request sample quantities, and track activity; allows a seller/participant to use remote authoring templates to create a complete

Art Unit: 3622

Website for immediate integration and activation in the community, to evaluate proposed buyer orders and counteroffers, and to negotiate multiple variables such as prices, terms, conditions etc., iteratively with a buyer. The system provides secure databases, search engines, and other tools for use by the sponsor, which enable the sponsor to define the terms of community participation, establish standards, help promote the visibility of participating companies, monitor activity, collect fees, and promote successes. All this is done through a multivariate negotiations engine system operated at the system provider's Internet site, thus requiring no additional software at the sponsors', or participant sellers', or buyer's sites. This also allows buyers and sellers to use and negotiate payment options and methods that are accepted internationally. The system maintains internal databases that contain the history of all transactions in each community, so that sponsors, buyers and sellers may retrieve appropriate records to document each stage of interaction and negotiation. Documents are created by the system during the negotiation process.

US Patent 6, 134, 534 to Walker discloses a conditional purchase offer (CPO) management system for receiving CPOs from one or more customers, such as cruise and airline passengers, and for evaluating the received CPOs against a number of CPO rules defined by a plurality of sellers, such as cruise operators and airlines, to determine whether any seller is willing to accept a given CPO. A CPO is a binding offer containing one or more conditions submitted by a customer for purchase of an item, such as airline travel, at a customer-defined price. A CPO rule is a set of restrictions defined by a given seller, such as a cruise operator or an airline, to define a combination of restrictions for which the seller is willing to accept a predefined price. The CPO rules may be securely

Art Unit: 3622

stored by one or more servers. The CPO management system permits a seller to correct for forecasting errors, if necessary, or other competitive forces, which have produced excess capacity, by providing inventory for sale to CPO customers. If a CPO is accepted by more than one seller, the CPO management system executes a post-sell multi-bind process to permit each accepting seller to directly market to the customer and post-sell their product. Thus, the customer selects for himself which seller acceptance to utilize, based on materials furnished by each seller. The CPO management system may optionally also provide a CPO which specifies preferred sellers to the excluded sellers who may make counteroffers to the customer, in an attempt to obtain the business, before one of the specified sellers accepts the CPO.

US Patent 6,055,519 to Kennedy discloses a computer implemented system and process for negotiating and tracking of sale of goods. In this system and process, a negotiation engine (16) operates to store data representing a current state (18) of a negotiation between a seller and buyer. The negotiation engine (16) stores the data within a framework for representing aspects of the negotiation between the seller and buyer. The framework includes a request object, a promise object and an acceptance object that can store a current description of a contract. The framework also includes a set of one or more delivery deals determined by the contract. Each delivery deal can have a delivery request object, a delivery promise object, and a delivery acceptance object that can store associated item deals and time periods for delivery of item deals. Each item deal can have an item request object, an item promise object and an item acceptance object that can store individual sales-order line-items. The negotiation engine

Art Unit: 3622

(16) thereby allows a user to monitor the current state of the negotiation over a range of prices, a range of dates, ranges of quantities of a set of goods, and a range of configurations of the goods in the set.

Any inquiry concerning this communication from the Examiner should be directed to Jean D. Janvier, whose telephone number is (703) 308-6287). The aforementioned can normally be reached Monday-Thursday from 10:00AM to 6:00 PM EST. If attempts to reach the Examiner by telephone are unsuccessful, the Examiner's Supervisor, Mr. Eric W. Stamber, can be reached at (703) 305- 8469.

For information on the status of your case, please call the help desk at (703) 308-1113. Further, the following fax numbers can be used, if need be, by the Applicant(s):

After Final- 703-872-9327

Before Final -703-872-9326

Non-Official Draft- 703-746-7240

Customer Service- 703-872-9325

JDJ

08/16/04

A handwritten signature in black ink, appearing to read "Janvier", followed by a stylized flourish or second signature.

Jean D. Janvier

Patent Examiner  
Art Unit 3622